

**Ohio State Chapter P.E.O. Sisterhood**

**FINANCIAL REPORT**

**March 31, 2021 and 2020**

## CONTENTS

	<u>Page</u>
<b>INDEPENDENT AUDITOR'S REPORT ON THE FINANCIAL STATEMENTS</b>	3-4
<b>FINANCIAL STATEMENTS</b>	
Statements of cash receipts and disbursements	5
Notes to financial statements	6-7
<b>SUPPLEMENTARY INFORMATION</b>	
Schedules of net assets	8



## INDEPENDENT AUDITOR'S REPORT

Executive Board  
Ohio State Chapter P.E.O. Sisterhood

We have audited the accompanying statements of cash receipts and disbursements of Ohio State Chapter P.E.O. Sisterhood for the years ended March 31, 2021 and 2020, and the related notes to the financial statements.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with the cash basis of accounting as described in Note 1, including determining that the cash basis of accounting is an acceptable basis for the preparation of the financial statements under the circumstances. Management is also responsible for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the State Chapter's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the State Chapter's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the cash receipts and disbursements of Ohio State Chapter P.E.O. Sisterhood for the years ended March 31, 2021 and 2020 in accordance with the cash basis of accounting as described in Note 1.

### **Basis of Accounting**

We draw attention to Note 1 of the financial statements which describes the basis of accounting. The financial statements are prepared on the cash basis of accounting, which is a basis of accounting other than accounting principles generally accepted in the United States of America. Also, as described in Note 1, the financial statements do not include the accounts and transactions of state convention funds. Our opinion is not modified with respect to these matters.

### **Other**

The accompanying financial statements are that of Ohio State Chapter P.E.O. Sisterhood, only, and are not that of the primary reporting entity. The financial statements of The International Chapter of the P.E.O. Sisterhood have been issued to its Executive Board as the financial statements of the primary reporting entity.

Our audits were conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information on page 8 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audits of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

This report is intended solely for the use of the Executive Board and management of each of Ohio State Chapter P.E.O. Sisterhood and The International Chapter of the P.E.O. Sisterhood and is not intended to be and should not be used by anyone other than these specified parties.

*Denman & Company, LLP*

**DENMAN & COMPANY, LLP**

West Des Moines, Iowa  
May 28, 2021

**Ohio State Chapter P.E.O. Sisterhood  
STATEMENTS OF CASH RECEIPTS AND DISBURSEMENTS**

	<u>Year ended March 31</u>	
	<u>2021</u>	<u>2020</u>
<b>CASH RECEIPTS</b>		
Annual dues and registrations		
State	\$ 60,425	\$ 73,080
International	134,325	140,728
Contributions		
State		
Ohio Scholarships Fund	58,244	58,531
Cotley Care and Travel Fund	1,174	950
Sue Baker Fund	-	242
Cotley Ohio Suite Fund	12,779	-
International		
Cotley College	29,790	35,906
P.E.O. Educational Loan Fund	33,480	37,313
P.E.O. International Peace Scholarship Fund	35,648	40,104
P.E.O. Program for Continuing Education	41,178	46,973
P.E.O. Scholar Awards	32,623	42,473
P.E.O. STAR Scholarship Program	36,213	43,133
P.E.O. Foundation	22,640	27,154
P.E.O. Sesquicentennial Celebration	-	3,175
Other		
Interest income	25	54
Miscellaneous income	168	3,084
Total cash receipts	<u>498,712</u>	<u>552,900</u>
<b>CASH DISBURSEMENTS</b>		
State		
Ohio Scholarships Fund	58,244	58,531
Cotley Care and Travel Fund	250	304
Sue Baker Fund	-	11,283
International		
Annual dues	134,325	140,728
Contributions	231,571	276,231
State convention	5,313	30,519
International convention	-	21,484
Administration and general	21,542	40,050
Total cash disbursements	<u>451,245</u>	<u>579,130</u>
<b>INCREASE (DECREASE) IN CASH</b>	47,467	(26,230)
<b>CASH</b>		
Beginning	<u>158,466</u>	<u>184,696</u>
Ending	<u>\$ 205,933</u>	<u>\$ 158,466</u>

**Ohio State Chapter P.E.O. Sisterhood  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 SIGNIFICANT ACCOUNTING POLICIES**

**Nature of Activities**

The Ohio State Chapter P.E.O. Sisterhood is organized under The International Chapter of the P.E.O. Sisterhood, a nonprofit corporation established as a philanthropic and educational organization interested in bringing to women increased opportunities for higher education.

**Basis of Presentation**

The accompanying financial statements have been prepared on the cash receipts and disbursements basis of accounting, which is a comprehensive basis of accounting other than accounting principles generally accepted in the United States of America. Under that basis, the only asset recognized is cash, and no liabilities are recognized. All transactions are recognized as either cash receipts or disbursements, and noncash transactions are not recognized. The cash basis differs from accounting principles generally accepted in the United States of America primarily due to the effects of outstanding dues and obligations for assessments unpaid at the date of the financial statements are not included in the financial statements.

Cash, which represents the net assets of the State Chapter, is not classified as either with or without donor restrictions. In addition, the financial statements of the State Chapter do not include the accounts and transactions of state convention funds.

**Contributions**

**Ohio Scholarships Fund**

The State Chapter has an Ohio Scholarships Fund. The fund is established for the purpose of funding scholarships for women who are Ohio residents and pursuing post high school study at an accredited college or university in an undergraduate or master's degree program, Cottey College or an accredited vocational school. The fund is administered by the Ohio Scholarships Committee and consists of monies received from gifts and bequests. Scholarship applicants are recommended by a local chapter and award payments are made to recipients following ratification by the Ohio State Chapter Executive Board, approval by the Board of Trustees of the P.E.O. Foundation and confirmation of educational registration.

**Sue Baker Fund**

The Sue Baker Fund represents gifts and other designated receipts received from donors and others to be used to honor Sue Baker, past president of the State Chapter, by presenting an honorarium in her name during her presidency of The International Chapter of the P.E.O. Sisterhood in 2019.

**Cottey Ohio Suite Fund**

The Cottey Ohio Suite Fund consists of contributions received which are to be used for refurbishing of the Ohio Suite at Cottey College.

**Ohio State Chapter P.E.O. Sisterhood  
NOTES TO FINANCIAL STATEMENTS**

**NOTE 1 SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Contributions (continued)**

**Other**

Cotley College contributions represent amounts received in support of the College's mission.

P.E.O. Educational Loan Fund contributions represent amounts received to be used for loans to qualified women students from the United States or Canada to assist them in securing higher education and for expenses of administering the fund.

P.E.O. International Peace Scholarship Fund contributions represent amounts received to be used to provide scholarships for international women students to pursue graduate study in the United States or Canada and for expenses of administering the fund.

P.E.O. Program for Continuing Education contributions represent amounts received to be used to provide grants for qualified women students from the United States or Canada who have a definite need for financial assistance to continue their education and for expenses of administering the fund.

P.E.O. Scholar Awards contributions represent amounts received to be used to provide scholarship awards for qualified women from the United States or Canada to pursue advanced degrees or engage in advanced study and research and for expenses of administering the fund.

P.E.O. STAR Scholarship Program contributions represent amounts received to be used to provide scholarship awards to high school seniors who are pursuing post-secondary education at accredited institutions and for expenses of administering the fund.

P.E.O. Foundation contributions represent amounts received to be remitted to the P.E.O. Foundation. Gifts may be designated for specific purposes or undesignated in which case they would be available to benefit all P.E.O. International programs.

**Income Taxes**

The State Chapter is exempt from federal income taxes under applicable provisions of the Internal Revenue Code.

The State Chapter has evaluated their material tax positions and determined no income tax effects with respect to the financial statements. The State Chapter's tax returns are subject to tax examinations by tax authorities for a period of three years from the date the return was filed. The State Chapter has not been notified of any impending examinations by tax authorities, and no examinations are in process.

**Subsequent Events**

The State Chapter has evaluated subsequent events through May 28, 2021, the date which the financial statements were available to be issued. There were no subsequent events required to be accrued or disclosed.

**Ohio State Chapter P.E.O. Sisterhood  
SUPPLEMENTARY INFORMATION**

**SCHEDULES OF NET ASSETS**

	<u>March 31</u>	
	<u>2021</u>	<u>2020</u>
General Operating Fund	\$ 16,091	\$ (12,009)
State Reserve Fund	56,723	66,117
State Convention Fund	29,038	11,039
International Convention Fund	15,987	5,673
Cotley Care and Travel Fund	11,722	10,798
Cotley Ohio Suite Fund	12,779	-
Technology Fund	3,168	3,818
Annual Reports Fund	<u>60,425</u>	<u>73,030</u>
Totals	<u>\$ 205,933</u>	<u>\$ 158,466</u>